

JUN 10 2004



UNITED STATES DEPARTMENT OF COMMERCE
Bureau of Industry and Security
Washington, D.C. 20230

COPY

REGISTERED MAIL - RETURN RECEIPT REQUESTED

Medi-Link International, Ltd.
Hennerton, Crazies Hill Road
Wargrave, Berkshire RG10 BLT
United Kingdom

Attn: *Mrs. Jaleh Hearn*
Managing Director

Dear Mrs. Hearn:

RECEIVED
FRONT DESK
2004 JUN 16 P 3:23
ALJ-BALTIMORE, MD

The Bureau of Industry and Security, United States Department of Commerce ("BIS") has reason to believe that Medi-Link International, Ltd. ("Medi-Link") has committed 24 violations of the Export Administration Regulations (the "Regulations"),¹ which are issued under the authority of the Export Administration Act of 1979 (the "Act").² Specifically, BIS charges that Medi-Link committed the following violations:

Charges 1 - 8 (15 C.F.R. §764.2(b) - Causing Medical Equipment to Ship to Iran Without the Required U.S. Government Authorization)

On eight occasions between on or about June 15, 1999 and on or about August 15, 2002, Medi-Link engaged in acts prohibited by the Regulations by causing medical equipment subject to the Regulations and the Iranian Transactions Regulations to be exported from the United States to Iran without the required U.S. Government authorization. Section 746.7 of the Regulations requires Office of

¹ The Regulations are currently codified in the Code of Federal Regulations at 15 C.F.R. Parts 730-774 (2004). The violations charged occurred from 1999 through 2002. The Regulations governing the violations at issue are found in the 1999 through 2002 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1999-2002)). The 2004 Regulations establish the procedures that apply to this matter.

² 50 U.S.C. app. §§ 2401- 2420 (2000). From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) ("IEEPA"). On November 13, 2000, the Act was reauthorized by Pub. L. No. 106-508 (114 Stat. 2360 (2000)) and it remained in effect through August 20, 2001. Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), which has been extended by successive Presidential Notices, the most recent being that of August 7, 2003 (3 C.F.R., 2003 Comp., p. 328 (2004)), continues the Regulations in effect under IEEPA. The Act and Regulations are available on the Government Printing Office website at: <http://w3.access.gpo.gov/>



Foreign Assets Control, U.S. Department of Treasury, ("OFAC") authorization for the export from the United States to Iran of items subject to the Regulations and the Iranian Transactions Regulations. OFAC did not authorize the export of such medical equipment. Therefore, Medi-Link committed eight violations of Section 764.2(b).

Charges 9 - 16 (15 C.F.R. §764.2(e) - Transferring Medical Equipment to Iran with the Knowledge that Such Transfer Would Result in a Violation of the Regulations)

On eight occasions between on or about June 15, 1999 and on or about August 15, 2002, Medi-Link engaged in conduct prohibited by the Regulations when it transferred items exported from the United States and subject to the Regulations with knowledge that a violation of the Regulations occurred or was about to occur in connection with the items. Specifically, Medi-Link transferred medical equipment subject to the Regulations to Iran without the required U.S. Government authorization. Pursuant to Section 746.7 of the Regulations, authorization from OFAC is required for the export, from the United States to Iran, of items subject to the Regulations and the Iranian Transactions Regulations. Therefore, Medi-Link committed eight violations of Section 764.2(e) of the Regulations.

Charges 17 - 24 (15 C.F.R. §764.2(i) - Failure to Comply with Reporting, Recordkeeping Requirements)

On eight occasions between on or about June 15, 1999 and on or about August 15, 2002, Medi-Link engaged in transactions subject to the Regulations and failed to comply with the record keeping requirements of Section 762.2 of the Regulations. Specifically, Medi-Link caused medical equipment subject to the Regulations to be exported to Iran. Medi-Link was required to retain records related to these transactions, including books of account and financial records, pursuant to Section 762.2 of the Regulations. Medi-Link did not retain the required records for these transactions. Therefore, Medi-Link committed eight violations of Section 764.2(e).

Accordingly, Medi-Link is hereby notified that an administrative proceeding is instituted against it pursuant to Section 13(c) of the Act and Part 766 of the Regulations for the purpose of obtaining an order imposing administrative sanctions, including any or all of the following:

The maximum civil penalty allowed by law of \$11,000 per violation;³

Denial of export privileges; and/or

³ See 15 C.F.R. §6.4(a)(4) (2003).

Exclusion from practice before BIS.

If Medi-Link fails to answer the charges contained in this letter within 30 days after being served with notice of issuance of this letter, that failure will be treated as a default. (Regulations, Sections 766.6 and 766.7). If Medi-Link defaults, the Administrative Law Judge may find the charges alleged in this letter to be true without hearing or further notice to Medi-Link. The Under Secretary of Commerce for Industry and Security may then impose up to the maximum penalty on each charge in this letter.

Medi-Link is further notified that it is entitled to an agency hearing on the record if it files a written demand for one with its answer. (Regulations, Section 766.6). Medi-Link is also entitled to be represented by counsel or other authorized representative who has power of attorney to represent it. (Regulations, Sections 766.3(a) and 766.4).

The Regulations provides for settlement without a hearing. (Regulations, Section 766.18). Should Medi-Link have a proposal to settle this case, Medi-Link or its representative should transmit the offer to the individual representing BIS named below.

The U.S. Coast Guard is providing administrative law judge services in connection with the matters set forth in this letter. Accordingly, Medi-Link's answer must be filed in accordance with the instructions in Section 766.5(a) of the Regulations with:

U.S. Coast Guard ALJ Docketing Center
40 S. Gay Street
Baltimore, Maryland 21202-4022

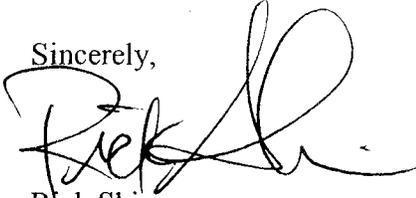
In addition, a copy of Medi-Link's answer must be served on BIS at the following address:

Chief Counsel for Industry and Security
Attention: Charles Wall
Room H-3839
United States Department of Commerce
14th Street and Constitution Avenue, N.W.
Washington, D.C. 20230

Medi-Link International, Ltd.
Charging Letter
Page 4

Charles Wall is representing BIS in this case; any communications that you may wish to have concerning this matter should occur through him. He may be contacted by telephone at (202) 482-5301.

Sincerely,

A handwritten signature in black ink, appearing to read "Rick Shimon". The signature is stylized with a large, looping initial "R" and a long horizontal stroke extending to the right.

Rick Shimon
Acting Director
Office of Export Enforcement

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
WASHINGTON, D.C. 20230

In the Matter of:)	
)	
Medi-Link International, Ltd.)	Docket No. 04-BIS-12
Hennerton, Crazies Hill Road)	
Wargrave, Berkshire RG10 8LT)	
United Kingdom)	
)	
Respondent.)	

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made by and between Respondent, Medi-Link International, Ltd. (“Medi-Link”), and the Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) (collectively referred to as “Parties”), pursuant to Section 766.18(b) of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2004)) (“Regulations”),¹ issued pursuant to the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),²

¹ The violations charged occurred between 1999 and 2002. The Regulations governing the violations at issue are found in the 1999 through 2002 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1999-2002)). The 2004 Regulations set forth the procedures that apply to this matter.

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 6, 2004 (69 *Fed. Reg.* 48763, August 10, 2004), has continued the Regulations in effect under the IEEPA.

JH

WHEREAS, BIS has initiated an administrative proceeding against Medi-Link, pursuant to the Act and the Regulations;

WHEREAS, BIS issued a charging letter to Medi-Link that alleged that Medi-Link committed seven violations of the Regulations, specifically:

1. *Seven Violations of 15 C.F.R. § 764.2(i) - Failure to Comply with Reporting, Recordkeeping Requirements:* On seven occasions between on or about June 15, 1999 and on or about August 15, 2002, Medi-Link failed to comply with the recordkeeping requirements in Section 762.2 of the Regulations. Specifically, with regard to exports or reexports involving items subject to the Regulations, Medi-Link failed to retain correspondence, notes, financial records, and other records described in Section 762.2 of the Regulations.

WHEREAS, Medi-Link has reviewed the charging letter and is aware of the allegations made against it and the administrative sanctions which could be imposed against it if the allegations are found to be true;

WHEREAS, Medi-Link fully understands the terms of this Agreement and the Order (“Order”) that the Assistant Secretary of Commerce for Export Enforcement will issue if she approves this Agreement as the final resolution of this matter;

WHEREAS, Medi-Link enters into this Agreement voluntarily and with full knowledge of its rights;

WHEREAS, Medi-Link states that no promises or representations have been made to it other than the agreements and considerations herein expressed;



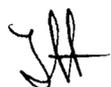
WHEREAS, Medi-Link neither admits nor denies the allegations contained in the charging letter;

WHEREAS, Medi-Link wishes to settle and dispose of all matters alleged in the charging letter by entering into this Agreement; and

WHEREAS, Medi-Link agrees to be bound by the Order, if entered;

NOW THEREFORE, the Parties hereby agree as follows:

1. BIS has jurisdiction over Medi-Link, under the Regulations, in connection with the matters alleged in the charging letter.
2. The following sanction shall be imposed against Medi-Link in complete settlement of the violations of the Regulations set forth in the charging letter:
 - a. Medi-Link shall be assessed a civil penalty in the amount of \$17,500, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of the Order. Payment shall be made in the manner specified in the attached instructions.
 - b. The timely payment of the civil penalty agreed to in paragraph 2.a. is hereby made a condition to the granting, restoration, or continuing validity of any export license, License Exception, permission, or privilege granted, or to be granted, to Medi-Link. Failure to make timely payment of the civil penalty set forth above may result in the denial of all of Medi-Link's export or reexport privileges for a period of one year from the date of imposition of the penalty.



3. Subject to the approval of this Agreement pursuant to paragraph 8 hereof, Medi-Link hereby waives all rights to further procedural steps in this matter (except with respect to any alleged violations of this Agreement or the Order, if entered), including, without limitation, any right to: (a) an administrative hearing regarding the allegations in the charging letter; (b) request a refund of any civil penalty paid pursuant to this Agreement and the Order, if entered; (c) request any relief from the Order, if entered, including without limitation relief from the terms of a denial order under 15 C.F.R. § 764.3(a)(2); and (d) seek judicial review or otherwise contest the validity of this Agreement or the Order, if entered.

4. Upon entry of the Order and timely payment of the \$17,500 civil penalty, BIS will not initiate any further administrative proceeding against Medi-Link in connection with any violation of the Act or the Regulations arising out of the transactions identified in the charging letter.

5. BIS will make the charging letter, this Agreement, the Order, if entered, and the record of the case as defined in Section 766.20 of the Regulations available to the public.

6. This Agreement is for settlement purposes only. Therefore, if this Agreement is not accepted and the Order is not issued by the Assistant Secretary of Commerce for Export Enforcement pursuant to Section 766.18(b) of the Regulations, no Party may use this Agreement in any administrative or judicial proceeding and the Parties shall not be bound by the terms contained in this Agreement in any subsequent administrative or judicial proceeding.

7. No agreement, understanding, representation or interpretation not contained in this Agreement may be used to vary or otherwise affect the terms of this Agreement or the Order, if entered, nor shall this Agreement serve to bind, constrain, or otherwise limit any action by any

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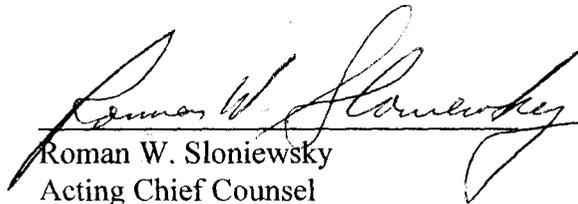
other agency or department of the United States Government with respect to the facts and circumstances addressed herein.

8. This Agreement shall become binding on the Parties only if the Assistant Secretary of Commerce for Export Enforcement approves it by entering the Order, which will have the same force and effect as a decision and order issued after a full administrative hearing on the record.

9. Each signatory affirms that he has authority to enter into this Settlement Agreement and to bind his respective party to the terms and conditions set forth herein.

OFFICE OF CHIEF COUNSEL FOR
INDUSTRY AND SECURITY
U.S. DEPARTMENT OF COMMERCE

MEDI-LINK INTERNATIONAL, LTD.


Roman W. Sloniewsky
Acting Chief Counsel


Jaleh Hearn
President

Date: 12/01/05

Date: 29/12/04

UNITED STATES DEPARTMENT OF COMMERCE
BUREAU OF INDUSTRY AND SECURITY
WASHINGTON, D.C. 20230

In the Matter of:)	
)	
Medi-Link International, Ltd.)	Docket No. 04-BIS-12
Hennerton, Craziess Hill Road)	
Wargrave, Berkshire RG10 8LT)	
United Kingdom)	
)	
Respondent.)	
)	

ORDER RELATING TO MEDI-LINK INTERNATIONAL, LTD.

The Bureau of Industry and Security, U.S. Department of Commerce (“BIS”) has initiated an administrative proceeding against Medi-Link International, Ltd. (“Medi-Link”) pursuant to Section 766.3 of the Export Administration Regulations (currently codified at 15 C.F.R. Parts 730-774 (2004)) (“Regulations”),¹ and Section 13(c) of the Export Administration Act of 1979, as amended (50 U.S.C. app. §§ 2401-2420 (2000)) (“Act”),² through issuance of a charging letter

¹ The violations charged occurred between 1999 and 2002. The Regulations governing the violations at issue are found in the 1999 through 2002 versions of the Code of Federal Regulations (15 C.F.R. Parts 730-774 (1999-2002)). The 2004 Regulations set forth the procedures that apply to this matter.

² From August 21, 1994 through November 12, 2000, the Act was in lapse. During that period, the President, through Executive Order 12924, which had been extended by successive Presidential Notices, the last of which was August 3, 2000 (3 C.F.R., 2000 Comp. 397 (2001)), continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) (“IEEPA”). On November 13, 2000, the Act was reauthorized and it remained in effect through August 20, 2001. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 6, 2004 (69 *Fed. Reg.* 48763, August 10, 2004), has continued the Regulations in effect under the IEEPA.

to Medi-Link that alleged that Medi-Link committed seven violations of the Regulations.

Specifically, the charges are:

1. *Seven Violations of 15 C.F.R. § 764.2(i) - Failure to Comply with Reporting, Recordkeeping Requirements:* On seven occasions between on or about June 15, 1999 and on or about August 15, 2002, Medi-Link failed to comply with the recordkeeping requirements in Section 762.2 of the Regulations. Specifically, with regard to exports or reexports involving items subject to the Regulations, Medi-Link failed to retain correspondence, notes, financial records, and other records described in Section 762.2 of the Regulations.

WHEREAS, BIS and Medi-Link have entered into a Settlement Agreement pursuant to Section 766.18(b) of the Regulations whereby they agreed to settle this matter in accordance with the terms and conditions set forth therein, and

WHEREAS I have approved of the terms of such Settlement Agreement;

IT IS THEREFORE ORDERED:

FIRST, that a civil penalty of \$17,500 is assessed against Medi-Link, which shall be paid to the U.S. Department of Commerce within 30 days from the date of entry of this Order.

Payment shall be made in the manner specified in the attached instructions.

SECOND, that, pursuant to the Debt Collection Act of 1982, as amended (31 U.S.C. §§ 3701-3720E (2000)), the civil penalty owed under this Order accrues interest as more fully described in the attached Notice, and, if payment is not made by the due date specified herein,

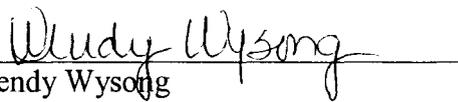
Medi-Link will be assessed, in addition to the full amount of the civil penalty and interest, a penalty charge and an administrative charge, as more fully described in the attached Notice.

THIRD, that the timely payment of the civil penalty set forth above is hereby made a condition to the granting, restoration, or continuing validity of any export license, license exception, permission, or privilege granted, or to be granted, to Medi-Link. Accordingly, if Medi-Link should fail to pay the civil penalty in a timely manner, the undersigned may enter an Order denying all of Medi-Link's export privileges for a period of one year from the date of entry of this Order.

FOURTH, that the charging letter, the Settlement Agreement, this Order, and the record of this case as defined by Section 766.20 of the Regulations shall be made available to the public.

FIFTH, that the administrative law judge shall be notified that this case is withdrawn from adjudication.

This Order, which constitutes the final agency action in this matter, is effective immediately.


Wendy Wysong
Acting Assistant Secretary of Commerce
for Export Enforcement

Entered this 13th day of January 2005.